

Chairman Vap called the regularly scheduled meeting to order at 10:02 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present.

GENERAL ADMINISTRATION

Notice was duly published October 18, 2005 on Page 7 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held October 25, 2005 at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Wednesday, October 26, 2005:

TR-149 Commission Hearing Room, Lincoln.
1:00 In the Matter of Ronald D. or Darlene R. Allgood, dba Tree City Cab Company, Nebraska City, seeking authority to adjust its rates and charges. Commissioner Landis presiding as Hearing Officer.

Friday, October 28, 2005:

LR 175 Capitol, Room 1510, Lincoln.
2:30 Legislative hearing on LR 175.

COMMUNICATIONS DEPARTMENT

C-3478 In the Matter of Teleglobe America, Inc., Reston, Virginia, seeking cancellation of its Certificate of Public Convenience and Necessity within the state of Nebraska granted in Docket C-3004: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson, to enter an order canceling the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

C-3477 In the Matter of KMC Telecom Holdings, Inc., dba KMC Telecom V, Inc., Lawrenceville, Georgia, seeking an amendment to the interconnection agreement with ALLTEL Nebraska, Inc., Little Rock, Arkansas, previously granted in Docket C-2611: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order approving the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3481 In the Matter of Qwest Corporation, Denver, Colorado, seeking a Triennial Review Order and Triennial Review Order Amendment to the interconnection agreement with 1-800-Reconex, Inc. dba USTel, Hubbard, Oregon, previously approved in Docket C-3219: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order approving the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

C-3482 In the Matter of Qwest Corporation, Denver, Colorado, seeking Triennial Review Order and Triennial Review Order Amendment to the interconnection agreement with Mobius Communications Company, Hemmingford, previously approved in Docket C-2637: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order approving the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

Gene Hand updated the Commission on the status of the NARUC Intercarrier Compensation Task Force including providing the Commission with information that analyzes the impact of the Intercarrier Compensation Forum's (ICF's) edge proposal on the Grand Island LATA 646. Commissioner Boyle recognized Gene Hand for his work on intercarrier compensation on a national basis.

Gene Hand reported that the Federal Communications Commission (FCC) is expected to address the two pending mergers by October 28, 2005.

Gene Hand announced that Hamilton Telephone Company, dba Hamilton Telecommunications, as a result of a competitive bidding process, will begin operating the Georgia Relay Service on April 1, 2006.

Gene Hand informed the Commission that an application (C-3497) seeking designation as an Eligible Telecommunications Carrier (ETC) was filed by Alltel Communications of Nebraska, Inc., a cellular mobile radio service (CMRS) carrier, on October 21, 2005.

UNIVERSAL SERVICE FUND

NUSF-37.33 In the Matter of Jeffrey L. Pursley, Director, Universal Service Fund Department, Complainant, vs. IDT America, Corporation, Respondent: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter an Order dismissing the complaint. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

UNIVERSAL SERVICE FUND (Cont.)

Commissioner Rod Johnson was appointed Hearing Officer for the following hearings scheduled for December 6, 2005 at 1:30 p.m. in the Commission Hearing Room, Lincoln.

NUSF-37.56 Telstra, Inc.
NUSF-37.58 360 Networks (USA)
NUSF-37.59 Business Telecom, Inc.
NUSF-37.60 CommSouth Companies, Inc.
NUSF-37.63 Norstan Network Services
NUSF-37.64 CIII / Broadwing Communications
NUSF-37.66 BullsEye Telecom, Inc.
NUSF-37.67 LDMI Long Distance
NUSF-37.68 Sodtown Telephone Company
NUSF-37.69 WorldxChange Corporation
NUSF-37.70 Trinsic, f/k/a Z-Tel, Inc.

Jeff Pursley informed the Commission that the Universal Service Advisory Board Meeting was scheduled for November 21, 2005 at 1:30 p.m. in the Commission Library, Lincoln.

Jeff Pursley reported on Late-Filed Carrier Remittances. Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to levy late fees against Arizona Telephony Brokers, LLC and TON Services, Inc. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

E911 DEPARTMENT

911-015/ In the Matter of the Commission, on its own motion, seeking
PI-106 to investigate issues related to the calculation and reimbursement of costs to carriers implementing enhanced wireless 911 service: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter an order scheduling a public hearing for 2:30 p.m. on December 6, 2005, in the Commission Hearing Room, Lincoln. Commissioner Jerry Vap was appointed Hearing Officer. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

PSAP-003.1 In the Matter of Buffalo County PSAP, Kearney, seeking funding for recurring and nonrecurring costs of Wireless E-911 implementation: Motion made by Commissioner Rod Johnson, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

E911 DEPARTMENT (Cont.)

PSAP-09.2 In the Matter of Chase County PSAP, Imperial, seeking funding for recurring and nonrecurring costs of Wireless E-911 implementation: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE, Commissioner Anne Boyle Present Not Voting.

PSAP-013.2 In the Matter of Keith County PSAP, Ogallala, seeking approval of funding for costs of Wireless E-911 implementation: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

PSAP-019.2 In the Matter of Kearney County PSAP, Minden, seeking funding for recurring and non-recurring costs of Wireless E-911 implementation: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE, Commissioner Anne Boyle Present Not Voting.

PSAP-032.1 In the Matter of Perkins County PSAP, Grant, seeking approval of funding for costs of Wireless E-911 implementation: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE, Commissioner Anne Boyle Present Not Voting.

PSAP-040.1 In the Matter of Boone County PSAP, Albion, seeking funding for recurring and non-recurring costs of Wireless E-911 implementation: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE, Commissioner Anne Boyle Present Not Voting.

PSAP-GISD 003 In the Matter of Buffalo County PSAP, Kearney, seeking approval of funding for development of GIS data: Motion made by Commissioner Rod Johnson, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE, and Commissioner Anne Boyle voting NAY.

E911 DEPARTMENT (Cont.)

PSAP-GISD 019 In the Matter of Kearney County PSAP, Minden, seeking approval of funding for development of GIS data: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE, and Commissioner Anne Boyle voting NAY.

NATURAL GAS DEPARTMENT

NG-0004.1 In the Matter of Aquila, Inc., d/b/a Aquila Networks (Aquila), Omaha, seeking a waiver of the 30-day notice period under *Neb. Rev. Stat.* 66-1854 and to recover the gas cost portion of uncollectible accounts through its Gas Cost Adjustment tariff. Frank Landis presiding as Hearing Officer: Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to enter Assessment Order NG-0004.1/HSD-003. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

NG-0031 In the Matter of Aquila, Inc., d/b/a Aquila Networks (Aquila), Omaha, seeking authority for Limited Cost Recovery in the State of Nebraska. Frank Landis presiding as Hearing Officer: Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to enter Assessment Order NG-0031/HSD-002. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

NG-0004.1 In the Matter of Aquila, Inc., d/b/a Aquila Networks (Aquila), Omaha, seeking a waiver of the 30-day notice period under *Neb. Rev. Stat.* 66-1854 and to recover the gas cost portion of uncollectible accounts through its Gas Cost Adjustment tariff. Frank Landis presiding as Hearing Officer: Angela Melton discussed the order issued by the Hearing Officer extending the date for filing briefs until November 7, 2005.

NG-0032 In the Matter of Aquila, Inc. d/b/a Aquila Networks (Aquila), Omaha, seeking to implement refunds received from Northern Natural Gas Company, pursuant to Federal Energy Regulatory Commission Dockets RP98-203 and RP04-155, to customers in Aquila's Rate Area One, Rate Area Two and Rate Area Three: Commissioner Landis was appointed Hearing Officer. Angela Melton informed the Commission that the application was filed October 19, 2005.

P-0010 In the Matter of Metropolitan Utilities District of Omaha, Omaha, seeking resolution of a dispute under *Neb. Rev. Stat.* section 57-1306: Commissioner Landis was appointed as Hearing Officer. Angela Melton informed the Commission that Aquila, Inc. filed an answer to the complaint on October 19, 2005.

TRANSPORTATION DEPARTMENT

Rate Division

LR-259 In the Matter of DJW, dba Luxury Limousine Service, Syracuse, seeking authority to adjust its rates and charges: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-F: The fuel surcharge was retained at 86 cents per mile.

GRAIN WAREHOUSE DEPARTMENT

GW-265 In the Matter of Employers Mutual Casualty Company, seeking cancellation of its Continuous Public Grain Warehouse Bond No. 194978 in the amount of \$571,300.00, issued on behalf of Diller Grain Co., Inc. dba Searcey Grain Co., Brownville, Burchard, Ellis, Holmesville, Filley, Liberty, Elk Creek, and Tecumseh: The Bond was cancelled effective October 22, 2005.

Grain Dealer Division

GD-265 In the Matter of Employers Mutual Casualty Company, seeking cancellation of its Continuous Public Grain Warehouse Bond No. 194978 in the amount of \$300,000.00, issued on behalf of Diller Grain Co., Inc. dba Searcey Grain Co., Beatrice: The Bond was cancelled effective October 22, 2005.

GD-2899 In the Matter of Shaw Grain, LLC, Edgar, seeking a Grain Dealer License, subject to the fulfillment of all statutory requirements, for the license period ending September 30, 2006: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to enter an order granting the license. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

GENERAL ADMINISTRATION

 Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to approve the following Commission invoices. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

GENERAL ADMINISTRATION (Cont.)

DAS-Communications	\$ 3,469.37
Liberty Consulting Group	1,693.33
Voyager	1,073.21
Rod Johnson	432.58

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

AGN Sales	597.00
Associated Hearing Health Care	286.90
Beltone Hearing Aid Center	781.50
Carl A. Johnson	443.30
Grand Island Hearing Aid	1,009.20
Hearing Clinic Inc	480.00
K-D Communications	981.85
Professional Hearing Aid Services	310.00
Sherard Hearing Aid Center	149.00
Teltex	1,107.50
Weitbrecht Communications	1,500.85
Western ENT Associates	139.95

Motion made by Commissioner Rod Johnson, seconded by Commissioner Frank Landis, to approve Commission minutes for the month of September 2005. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

Motion made by Commissioner Frank Landis, seconded by Commissioner Anne Boyle, to authorize Gene Hand and Jeff Pursley to attend the National Association of Regulatory Utility Commissioners (NARUC) Annual Conference to be held in Palm Springs, California, from November 10-16, 2005. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to make a deficit request of \$53,546 to allow the Commission to contract with the Attorney General for legal services. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE, and Commissioner Anne Boyle voting NAY. The Commissioners directed the staff to revisit the percentage allocations with the Attorney General before the final deficit request is filed. The Commissioners further directed staff to contract for no more than a one-year term and revisit allocations again at the end of that term.

Motion made by Commissioner Frank Landis, seconded by Commissioner Anne Boyle, to deny, pending further direction from the Legislature, a staff recommendation to make a deficit request of \$11 million in additional spending authority for aid in the Wireless E911 program. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

GENERAL ADMINISTRATION (Cont.)

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to go into closed session to discuss investigatory matters. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE. The Commission went into closed session at 10:57 a.m.

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to return to open session. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE. The Commission returned to open session at 11:15 a.m.

The meeting adjourned at 11:20 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on November 1, 2005, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on October 31, 2005.

Chairman

Executive Director